

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 339 - SB 305

February 23, 2021

**SUMMARY OF ORIGINAL BILL:** Authorizes the Gaylord Springs Golf Links to seek a caterer's license and to grant a franchise for purposes of on premises alcoholic consumption. Designates the Wildhorse Saloon as a restaurant for the purpose of on-premises alcoholic consumption. Removes the requirement for a certain percentage of Wildhorse Saloon's sales to come from food to be considered a restaurant for licensing purposes. Designates the General Jackson Showboat as a paddlewheel steamboat company for purposes of on premises consumption of alcoholic beverages.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$900/FY21-22/ABC Fund  
\$600/FY22-23 and Subsequent Years/ABC Fund

Increase Local Revenue - \$300/FY21-22 and Subsequent Years

**SUMMARY OF AMENDMENT (003763):** Deletes and replaces language of the original bill such that the only substantive change is to require the Wildhorse Saloon to pay the appropriate license fee pursuant to Tenn. Code Ann. § 57-4-301(b)(1)(W), when the gross revenue from the previous year derived from food sales is 50 percent or less than the gross revenue from the sale of alcoholic beverages.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- All three of these entities currently sell alcoholic beverages on premises; it is therefore assumed that further authorizing, or authorizing the sale of alcoholic beverages with a different license will not increase state revenue from the sales and use tax or the liquor-by-the-drink (LBD) tax.
- No additional personnel or resources will be required by the ABC.
- Local privilege tax is estimated to be \$300 annually. Any increase in local government expenditures for collecting local privilege taxes is estimated to be not significant.

*Gaylord Springs Golf Links:*

- It is assumed that Gaylord Springs Golf Links will seek a caterer's license.
- There is an initial application fee of \$300 and a \$625 annual fee payable to the Tennessee Alcoholic Beverage Commission (ABC).
- A total increase in state revenue to ABC of \$925 (\$300 + \$625) in FY21-22 and an increase in state revenue to ABC of \$625 in FY22-23 and subsequent years.
- A recurring increase in local privilege tax of \$300 in FY21-22 and subsequent years.

*Wildhorse Saloon:*

- Wildhorse Saloon currently has a restaurant license.
- It is estimated that this proposed legislation will not affect the status of their licensure.

*General Jackson Steamboat:*

- The General Jackson Steamboat currently has an airline boat train license. Designating them as a paddlewheel steamboat company is estimated to require the same license.
- It is estimated that this proposed legislation will not affect the status of their licensure.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Bojan Savic, Interim Executive Director

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